

WRITTEN ONLY

TESTIMONY BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON TRANSPORTATION
ON
HOUSE BILL NO. 1749

January 25, 2012

RELATING TO TRAFFIC INFRACTIONS

House Bill No. 1749 requires the State Director of Finance to transmit, to each county, a percentage of all fines and forfeitures collected for uncontested traffic infractions committed in that county.

The Department of Budget and Finance opposes this measure as the financial impact to the State is unknown. Per data from the Judiciary, uncontested collections for FY 10 and FY 11 were as follows:

<u>County</u>	<u>FY 10</u>	<u>FY 11</u>
Oahu	\$6,403,682	\$6,309,252
Maui	579,310	704,565
Hawaii	1,031,485	1,069,935
Kauai	<u>420,275</u>	<u>508,718</u>
Total	\$8,434,752	\$8,592,470

House Bill No. 1749 will mandate the quarterly transfer of an undetermined percentage of each county's uncontested collections in excess of amounts required by the State to pay the administrative costs of the Traffic Violations Bureau.

In testimony from the 2004 Legislative Session on a similar measure (Senate Bill No. 2014), the Judiciary stated that determining the administrative costs of the Traffic Violations Bureau was difficult to obtain as the Traffic Violations Bureau system is closely entwined with District Court functions and the entire traffic law enforcement system. While salaries for Traffic Violations Bureau positions are easily identified, many of the District Court personnel, court administrators and judges may work in activities related to traffic violations but are not solely dedicated to those functions alone. In addition, support services such as database management and maintenance, non-Traffic Violations Bureau support staff (information technology and fiscal operations) and other operational costs are not easily determined.

**OFFICE OF THE MAYOR
CITY AND COUNTY OF HONOLULU**

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PETER B. CARLISLE
MAYOR

DOUGLAS S. CHIN
MANAGING DIRECTOR

CHRYSTN K. A. EADS
DEPUTY MANAGING DIRECTOR

January 25, 2012

The Honorable Joseph Souki, Chair
House Committee on Transportation
Twenty-Sixth Legislature
Regular Session of 2012
State of Hawaii

RE: Testimony of Mayor Peter Carlisle on H.B. 1749, Relating to Traffic Infractions

Chair Souki and members of the House Committee on Transportation, Mayor Peter Carlisle submits the following comments on H.B. 1749.

The purpose of this bill is to require that the state director of finance transmit a percentage of the uncontested traffic infraction fines and forfeitures to the county in which the infraction occurred.

As enforcement of traffic offenses is primarily conducted with county resources and the fines and forfeitures from that enforcement currently goes to the state general fund, we would not object to receiving a percentage of the uncontested traffic infraction fines and forfeitures; however, we would have serious concerns if this allocation of the uncontested traffic infraction fines and forfeitures is intended to supplant or replace an existing revenue stream to the county.

Thank you for this opportunity to testify before you.

Council Chair
Danny A. Mateo

Vice-Chair
Joseph Pontanilla

Council Members
Gladys C. Baisa
Robert Carroll
Elle Cochran
Donald G. Couch, Jr.
G. Riki Hokama
Michael P. Victorino
Mike White



Director of Council Services
Ken Fukuoka

COUNTY COUNCIL
COUNTY OF MAUI
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WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov/council

January 23, 2012

TO: The Honorable Joseph M. Souki, Chair
House Committee on Transportation

FROM: Joseph Pontanilla, Treasurer *Joseph Pontanilla*
Hawaii State Association of Counties

SUBJECT: **HEARING OF JANUARY 25, 2012; TESTIMONY IN SUPPORT OF HB 1749,
RELATING TO TRAFFIC INFRACTIONS**

Thank you for the opportunity to testify in support this important measure. The purpose of this measure is to require the State director of finance to transmit to each county a percentage of all fines and forfeitures collected for uncontested traffic infractions committed in that county.

I am aware that the President of the Hawaii State Association of Counties ("HSAC") has submitted testimony, on behalf of HSAC, in support of this measure, which is in the HSAC Legislative Package. As the Treasurer of HSAC, I concur with the testimony submitted by the President, and urge you to support this measure.

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Hawai'i State Association of Counties (HSAC)
Counties of Kaua'i, Maui, Hawai'i & City & County of Honolulu

January 23, 2012

TESTIMONY OF MEL RAPOZO
PRESIDENT, HAWAII STATE ASSOCIATION OF COUNTIES
ON
H.B. NO. 1749, RELATING TO TRAFFIC INFRACTIONS
Committee on Transportation
Wednesday, January 25, 2012
9:00 A.M.
Conference Room 309

Dear Chair Souki and Members of the Committee on Transportation:

Thank you for this opportunity to submit testimony in strong support of H.B. No. 1749, Relating to Traffic Infractions. My testimony is submitted in my capacity as President of the Hawai'i State Association of Counties (HSAC).

HSAC is in full support of H.B. No. 1749, which adds a new chapter to the Hawai'i Revised Statutes entitled "Transmittal of Uncontested Traffic Fines and Forfeitures to Counties."

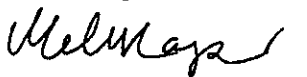
The purpose of this proposed bill is to require the State Director of Finance to transmit to each county a percentage of all fines and forfeitures collected for uncontested traffic infractions committed in that county.

Currently, the counties are responsible to enforce the Statewide Traffic Code, yet the fines and forfeitures accruing from violations are paid solely to the State. Uncontested traffic violations do not need to resort to the State courts; therefore, the burden on State-funded personnel and resources is minimized. Enactment of the proposed bill would assist the counties to offset the operational costs of enforcing the Statewide Traffic Code.

For the reason stated above, HSAC is in strong support of H.B. No. 1749 and asks for your favorable support.

Again, thank you for this opportunity to submit testimony.

Sincerely,



MEL RAPOZO
President, HSAC



The Judiciary, State of Hawaii

Testimony to the House Committee on Transportation

The Honorable Joseph M. Souki, Chair
The Honorable Linda Ichiyama, Vice Chair

Wednesday, January 25, 2012, 9:00 a.m.
State Capitol, Conference Room 309

by
Calvin Ching
Interim Deputy Chief Court Administrator, First Circuit

Bill No. and Title: House Bill No. 1749, Relating to Traffic Infractions

Purpose: Requires the state director of finance to transmit to each county a percentage of all fines and forfeitures collected for uncontested traffic infractions committed in that county.

Judiciary's Position:

The Judiciary takes no position as to the merits of this bill, but wishes to comment on certain operational and technical aspects. The Judiciary respectfully recommends that reference to paying the "administrative costs of the traffic violations bureau" be removed, and, should this bill move forward, a specific percentage to be transferred, as provided for in the bill, be established.

House Bill No. 1749 states:

"...the state director of finance shall transmit to each county, not more than thirty days after the end of each fiscal quarter, _____ percent of all fines and forfeitures collected for uncontested traffic infractions committed in that county which are in excess of amounts required by the State to pay the administrative costs of the traffic violations bureau."

Essentially, determining the exact "administrative costs" incurred in operating the TVB in four different circuits would be extremely complex and the accounting to do



House Bill No. 1749, Relating to Traffic Infractions
House Committee on Transportation
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this would be expensive and time consuming. As noted in the Legislative Reference Bureau's report, "Stop, Go, Caution: the Feasibility of Transferring the Traffic Violations Bureau to the Counties, Report No. 4, 1996":

"It is unclear exactly what costs are associated with operating and supporting the TVBs. While the Judiciary was able to supply the Bureau with figures as to the most recent fiscal year's realizations, it is not set up to pull out all of the costs associated with running the system. It can pull up staff salaries, for example, but not benefits, nor can it isolate all the costs for support services."

With respect to staff salaries, it is easy to identify the amounts for positions that are identified as dedicated to TVB positions; however, many of the District Court personnel, court administrators, and judges work in traffic violation activities but are not dedicated to those functions alone. With regard to support costs, they would include a large element of the Judiciary Information Management System (JIMS), the primary computer database for handling traffic offenses. In addition, there is the non-District Court "support staff" which plays an important role in TVB functions, such as JIMS staff, Information Technology and Communications Division staff, and fiscal officers.

Therefore, reference to the "administrative costs of the traffic violations bureau" should be removed and discussion limited to establishing a specific percentage to be transferred to the counties.

Thank you for the opportunity to comment on this measure.